

## **IC 4-31-9**

### **Chapter 9. Taxation and Distribution of Pari-Mutuel Revenues**

## **IC 4-31-9-1**

### **Withholdings**

Sec. 1. A person that holds a permit to conduct a horse racing meeting or a license to operate a satellite facility shall withhold:

- (1) eighteen percent (18%) of the total of money wagered on each day at the racetrack or satellite facility (including money wagered on exotic wagering pools); plus
- (2) an additional three and one-half percent (3.5%) of the total of all money wagered on exotic wagering pools on each day at the racetrack or satellite facility.

*As added by P.L.341-1989(ss), SEC.2. Amended by P.L.24-1992, SEC.27.*

## **IC 4-31-9-1.5**

### **Retention from withholdings**

Sec. 1.5. A person that holds a permit to conduct a horse racing meeting or a permit holder licensed to operate a satellite facility shall retain the following amounts from the money withheld under section 1 of this chapter:

- (1) For pari-mutuel wagers made at a permit holder's racetrack on live races, an amount equal to:
  - (A) eight percent (8%) of the total amount of money wagered on win, place, and show pools on each racing day; plus
  - (B) eleven and one-half percent (11.5%) of the total amount of money wagered on exotic wagering pools on each racing day.
- (2) For pari-mutuel wagers made at a permit holder's satellite facility on simulcasts of races originating from the permit holder's racetrack, an amount equal to:
  - (A) ten percent (10%) of the total amount of money wagered on win, place, and show pools on each day; plus
  - (B) thirteen and one-half percent (13.5%) of the total amount of money wagered on exotic wagering pools on each day.
- (3) On the simulcast of races, for the Indiana sending or Indiana receiving track or its satellite facilities, the amount to be retained, after deducting:
  - (A) pari-mutuel tax payments owed to Indiana; and
  - (B) the contractual obligations owed to the racetrack from which the races originated;shall be determined, subject to the approval of the commission, by one (1) or more contracts between the applicable Indiana permit holders and the applicable horsemen's association.

*As added by P.L.24-1992, SEC.28.*

## **IC 4-31-9-2**

### **Purse money**

Sec. 2. Each person that holds a permit to conduct a horse racing meeting or a permit holder licensed to operate a satellite facility shall pay as purse money from the amounts withheld under section 1 of this chapter an amount equal to:

- (1) eight percent (8%) of the total amount of money wagered on live races at a permit holder's racetrack; plus
- (2) five percent (5%) of the total amount of money wagered on simulcasts of horse races that originate from a permit holder's racetrack and are televised at the permit holder's satellite facilities; plus
- (3) on the simulcast of races, for the Indiana sending or Indiana receiving track, the total amount to be paid to purses, after deducting:
  - (A) pari-mutuel tax payments owed to Indiana; and
  - (B) the contractual obligations owed to the racetrack from which the races originated;shall be determined, subject to the approval of the commission, by one (1) or more contracts between the applicable Indiana permit holders and the applicable horsemen's association, and the allocation of this amount between breeds, if applicable, shall be determined by the rules of the commission.

*As added by P.L.341-1989(ss), SEC.2. Amended by P.L.24-1992, SEC.29.*

### **IC 4-31-9-3**

#### **Taxation of amount wagered each day; computation; distribution**

Sec. 3. (a) At the close of each day on which a permit holder or satellite facility operator conducts pari-mutuel wagering on live racing or simulcasts at a racetrack or satellite facility, the permit holder or satellite facility operator shall pay to the department of state revenue a tax on the total amount of money wagered on that day as follows:

- (1) Two percent (2%) of the total amount of money wagered on live races and simulcasts conducted at a permit holder's racetrack.
- (2) Two and one-half percent (2.5%) of the total amount of money wagered on simulcasts at satellite facilities, regardless of whether those simulcasts originate from Indiana or another state.

(b) The taxes collected under subsection (a) shall be paid from the amounts withheld under section 1 of this chapter and shall be distributed as follows:

- (1) The first one hundred fifty thousand dollars (\$150,000) of taxes collected during each state fiscal year shall be deposited in the veterinary school research account established by IC 4-31-12-22.
- (2) The remainder of the taxes collected during each state fiscal year shall be paid into the build Indiana fund.

(c) The tax imposed by this section is a listed tax for purposes of IC 6-8.1-1.

*As added by P.L.341-1989(ss), SEC.2. Amended by P.L.24-1992, SEC.30; P.L.26-1996, SEC.1; P.L.186-2002, SEC.9.*

#### **IC 4-31-9-4 Repealed**

*(Repealed by P.L.24-1992, SEC.64.)*

#### **IC 4-31-9-5**

##### **Taxation of amount collected for admission charge; distribution**

Sec. 5. (a) At the close of each day on which pari-mutuel wagering is conducted, each permit holder or satellite facility operator shall pay to the department of state revenue a tax equal to twenty cents (\$0.20) for each person who paid an admission charge for the privilege of entering the racetrack grounds or satellite facility on that day. Separate computations shall be made of the number of patrons at each location. If tickets are issued for more than one (1) day, the sum of twenty cents (\$0.20) shall be paid for each person using the ticket on each day that it is used.

(b) Before the fifteenth day of each month, the taxes collected under subsection (a) during the preceding month shall be distributed as follows:

(1) Fifty percent (50%) of the taxes shall be distributed in equal shares to the fiscal officers of:

(A) the city, if any;

(B) the town, if any; and

(C) the county;

in which the racetrack is located. The city, town, or county may use this money as general fund operating revenues.

(2) Fifty percent (50%) of the taxes shall be deposited in the state general fund.

(c) The tax imposed by this section is a listed tax for purposes of IC 6-8.1-1.

*As added by P.L.341-1989(ss), SEC.2. Amended by P.L.24-1992, SEC.31.*

#### **IC 4-31-9-6**

##### **Repealed**

*(Repealed by P.L.1-1990, SEC.43.)*

#### **IC 4-31-9-7**

##### **Money wagered on televised simulcasts; racing fees; amount; distribution**

Sec. 7. (a) This section does not apply to money wagered on simulcasts of horse races televised under IC 4-31-7-7.

(b) Each permit holder shall pay a fee after the completion of each racing meeting. This fee is in addition to the taxes imposed by sections 3 and 4 of this chapter. Except as provided in subsection (c), the amount of this fee is determined as follows:

(1) If the total amount of wagering at the racing meeting is less than five million dollars (\$5,000,000), the fee is one-tenth of one percent (0.1%) of the total amount wagered.

(2) If the total amount of wagering at the racing meeting is five million dollars (\$5,000,000) or more, the fee is fifteen-hundredths of one percent (0.15%) of the total amount wagered.

(c) The fees collected under this section from any one (1) permit holder may not exceed fifteen thousand dollars (\$15,000) from any one (1) horse racing meeting in a calendar year.

(d) Within ten (10) days after the close of each racing meeting, the permit holder shall forward the fee imposed by this section in equal shares to the fiscal officers of the:

- (1) city, if any;
- (2) town, if any; and
- (3) county;

in which the racing meeting took place. The city, town, or county may use this money as general fund operating revenues.

*As added by P.L.1-1990, SEC.44.*

#### **IC 4-31-9-8**

##### **Additional taxation by political subdivision; real and personal property taxes**

Sec. 8. No tax or fee, except as provided in this article, shall be assessed or collected from a permit holder by a political subdivision having the power to assess or collect a tax or fee. This section does not apply to real or personal property taxes imposed by a local taxing unit.

*As added by P.L.1-1990, SEC.45.*

#### **IC 4-31-9-9**

##### **Taxation of satellite facility wagers; distribution**

Sec. 9. (a) Before January 15 and July 15 of each year, each permit holder that operates satellite facilities shall forward to the auditor of state an amount equal to one-half of one percent (0.5%) of the total amount of money wagered at that permit holder's satellite facilities during the six (6) month period ending on the last day of the preceding month. The auditor of state shall distribute amounts received under this section as follows:

- (1) Fifty percent (50%) of the amounts received shall be deposited in the livestock industry promotion and development fund established by IC 4-4-3.2.
- (2) Fifty percent (50%) of the amounts received shall be distributed to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(b) Payments required by this section shall be made from amounts withheld by the permit holder under section 1 of this chapter.

*As added by P.L.24-1992, SEC.32.*

#### **IC 4-31-9-10**

##### **Payment of breakage and outs; distribution**

Sec. 10. (a) At the close of each day on which pari-mutuel

wagering is conducted at a racetrack or satellite facility, the permit holder or satellite facility operator shall pay the breakage from each of the races on which wagers were taken on that day to the auditor of state for deposit in the appropriate breed development fund as determined by the rules of the commission.

(b) Not later than March 15 of each year, each permit holder or satellite facility operator shall pay to the commission the balance of the outs tickets from the previous calendar year. The commission shall distribute money received under this subsection to the appropriate breed development fund as determined by the rules of the commission.

*As added by P.L.24-1992, SEC.33.*